



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

June 10, 1985

CERTIFIED RETURN RECEIPT REQUESTED
(P402 457 181)

Mr. T. F. Miller
Vipont Mines, Ltd.
P. O. Box 267
Oakley, Idaho 83346

Dear Mr. Miller:

RE: Reclamation Survey, Vipont Mines, ACT/003/005, Box Elder
County, Utah

Subsequent to our conversation of May 20, 1985, wherein your failure to post reclamation surety for the above-captioned operation was discussed, the Division has reviewed the reclamation permit status of this operation from 1977 to the present.

Please recall that in 1979 tentative approval to conduct mining operations was granted by the Division with final approval to be given pending submission to the Division of Oil, Gas and Mining (DOGM) of the requisite reclamation bonds by Vipont. The Division has not received the requested bonds to date, nor have the requisite annual operating reports been filed as per Division correspondence to you dated January 8, 1985.

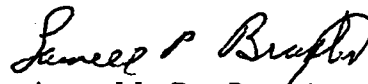
A site inspection on May 7, 1985 confirms that cyanide leach operations were in progress on this property at that time. If your present operations are substantially those filed in the Notice of Intent to Conduct Mining Operations of 1979, posting of reclamation bonds for disturbance related to these operations is an integral portion of the permit process. You evidently felt an obligation to bond when you responded with a note written on the Division's correspondence dated March 18, 1979: "Mr. L. P. Braxton: please be advised that I will make every effort to have one year paid by May 10, 1985, signed T. F. Miller, April 12, 1985."

Page 2
Mr. T. F. Miller
ACT/CG3/005
June 10, 1985

Should you feel the scope of your operation makes you eligible for an exemption from regulations under the Mined Land Reclamation Act of 1975, please complete and sign one copy of the enclosed Declaration of Exemption form (MR-4). Upon receipt of a signed Declaration of Exemption by Vipont, DOGM will dispatch a registered surveyor to your operation who will proceed to determine areas impacted by surface mining operations, with the intent to verify eligibility for the requested exemption.

The Division will continue its routine inspection of this operation per established policy for mining operations of this magnitude. The ramifications of cyanide contamination to Birch Creek are a concern to both DOGM and the Department of Health. I appreciate your efforts to monitor your activities so as to achieve compliance with mandated standards in that regard.

Sincerely,



Lowell P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program

btb
cc: Mark Moench
Dianne Nielson
Ron Daniels
0168R-32 & 33